

Japan's LDP:

Shaping & Adapting to 3 Distinctive Political Systems: Military Occupation, Fast Economic Development & Accelerating Globalization

By Inoguchi Takashi

Accelerating Globalization (Continued)

In light of recent events, France provides an enlightening comparison with Japan. Both countries are described as having a strong tradition of state-run leadership. In Japan, the Diet enacted into law a postal business privatization bill in October 2005. Though this achievement took longer than many expected, Japan Post, the corporation that runs the world's largest postal savings system, has taken the first step toward privatization. This bill prompted strong opposition even from within the LDP itself, and in a memorable election campaign, then Prime Minister Koizumi Junichiro dissolved the Lower House for a general election he called a referendum on the issue of postal privatization, purging the group within the LDP opposed to privatization and culminating in an overwhelming election victory for the LDP.

Globalization demands deregulation and smaller government, but Japan's long tradition of bureaucracy-driven development has slowed progress in both of these areas. For competitive Japanese companies that have already shifted their energy and resources to international development, the country's deregulation is lagging considerably, and what progress has been made is limited in scope.

Though the US government is also aware of its own problems in adapting to globalization, Washington seems to find it preferable to demand that other countries loosen regulations

and/or deregulate rather than demand much of its own uncompetitive domestic companies. The US government hoped that the Japanese government would deregulate more quickly. Sensing that the time was right, Koizumi took a major gamble on this issue. In order to bring public opinion around to favoring globalization, the issue was skillfully framed as a question of confidence in the prime minister, which led to the landslide election victory.

In France, Prime Minister Dominique de Villepin, who had fought to enact a law allowing for the hiring of young people for an initial probationary period, was ultimately forced to withdraw the law due to a massive and sustained campaign of street protests. An attempt to lower the high unemployment rate among young people in France, the law was a compromise proposal designed to promote employment of young people by mitigating French labor laws, which make it difficult to fire an employee once he or she has been hired. However, embracing their social democratic ideals and customs, most of the country's citizens, not just the young people, demanded that the law be withdrawn. The country's prevalent social democratic customs, as well as its strong government regu-

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Then Prime Minister Koizumi Junichiro speaks for an LDP-backed candidate on the campaign trail as Kanzaki Takenori, then head of ruling coalition partner New Komeito, looks on.

lation of corporations, are an impediment to a nimble response to the challenges globalization poses. We are beginning to see French capital leaving the country. Although the law described above was intended to both prevent this capital flight and promote the employment of young people, Prime Minister de Villepin's penchant for secretive and independent action ultimately prompted the fierce opposition.

LDP's Electoral Support Base

In a period of globalization, where does the LDP find its base of support? Japanese citizens who have supported the LDP during this period are those who sympathize with the resolve of its

leaders to take an optimistic and aggressive approach to forging new roads in the face of future uncertainties presented by globalization. They are won over by the enthusiasm and courage in these leaders' willingness to take risks. The majority of the population has a vague sense that, despite the fact that government deregulation and market liberalization symbolized by postal privatization may seriously impact their own employment and lives, Japan would face a difficult future without these changes.

This public sentiment has been based on Koizumi's unparalleled enthusiasm and courage in taking on these risks himself. This sentiment was further reinforced by the prime minister's style of strategically and skillfully expressing carefully thought-out ideas in a few words during the election campaign. In this sense, the body of support for the LDP comes more from those individuals with a strong belief that Japan should now venture out optimistically into the vast uncertainty of the future, rather than from a group of people characterized by similar sociological attributes.

Challenges Posed by Globalization

High-priority policies have shifted from macroeconomic management to those designed to alter economic standards and regulations as Japan faces the challenges presented by the irreversible advancement of globalization. Equally important are policies that address financial relief for the less competitive in society who are left behind in the rough seas of globalization, as well as programs to help these people maintain their standard of living without losing hope for the future. In many respects, Japan has yet to establish a safety net, and even in some areas where there would appear to be such a safety net, we are beginning to see signs of stress. The social policies (the pension system,

social welfare, nursing care, health-care, etc.) put in place during the years of strong economic growth, when young people made up a significant proportion of the country's population, are posing an economic strain due to the considerable change in the demographics of the population and the waning of economic growth. The lack of gender equality is striking, and any change must defy social mores and prejudice. It is clear that, first and foremost, revolutionary change in corporate culture is necessary.

Resolving these issues depends on a solid approach to reversing the decline in Japan's population, a trend which already manifested itself in 2005. The notably high trend of childless couples is closely related to each of these other issues. Employment, education, facilities, family, neighborhoods, and other issues cannot be resolved simply by adjusting the amount of money the government allocates to addressing them. Among advanced democratic nations, it is a matter of routine to a large degree that policies for which leaders have agreed on a basic course of action are allocated significant funds.

Globalization, however, has brought to the fore a number of issues that had not previously posed significant problems, and competing in an environment of globalization without addressing these issues is becoming increasingly difficult. For this reason, with the exception of deregulation and cutting national government expenditure, we are seeing less policy emphasis on the Ministry of Land, Infrastructure and Transport, the Ministry of Health, Labor and Welfare, the Ministry of Education, Culture, Sports, Science and Technology, the Ministry of Internal Affairs and Communications and other ministries that have traditionally been allocated large portions of the national budget.

Naturally, the issues taken up by individual extraordinary ministers within the Cabinet may at times bring

certain policies to the fore. This has been the case with the move to postal privatization endorsed by the minister of state for economic and fiscal policy and the prominence of the position of the minister of state for gender equity and social affairs. Only ministers of state can make a certain ministry or agency predominant. At the larger ministries and agencies, bureaucrats offer strong resistance to political maneuvering, and government agency culture is not conducive to immediate decision-making or swift action. With policy allocation a matter of long-established routine, it is difficult to marshal the will at agencies to redesign policy. This is another reason that the prime minister and Cabinet positions are taking increasingly prominent roles in driving government policy. The Cabinet and the Prime Minister's Office are now more directly in charge than bureaucrats on an increasing number of matters.

As this indicates, the Cabinet and the prime minister have been the dominant government agencies during the globalization period. Although there are significant systemic differences between presidential and prime ministerial systems, globalization serves to position prime ministers as presidents in countries that have no such elected official. In countries with presidents that merely play a symbolic role, the prime minister acts as president. With prime ministers who play no more than a symbolic role, ministerial secretaries, campaign strategists, or political consultants work behind the scenes on issues related to globalization. Against a backdrop of critical public opinion, the slightest statement by a politician is carefully weighed and measured against anticipated negative public reaction. Even specialists carefully crafting these political statements are not necessarily guaranteed success: Even in these circumstances, their chance is most often no greater than fifty-fifty. However, in the April 23, 2006 Seventh District by-election

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in Chiba Prefecture for a vacant seat in the Lower House, it was clear that Koizumi, despite his boldness and skillful campaigning, lost his edge to the careful calculations of Ozawa Ichiro, the new leader of the Democratic Party of Japan (DPJ) who put greater emphasis on mobilizing voters and giving a human touch to his campaign.

■ Opposition's Support Base

During this period of globalization, where do the opposition parties find their base of support? The transition in the Lower House electoral system from mid-sized to smaller electoral districts was significant, creating serious structural change under which both the governing and opposition parties vie for a single seat in a single electoral district. No less significantly, with government spending strained to the limit, the status quo of granting large-scale public works expenditures and subsidies in the form of local grants from the central government to local governments, or budgetary subsidies to implement large-scale social policy as an agent of the central government, is no longer viable. In order to obtain public works expenditures or subsidies, in matching funds form, local governments must secure budgets equal to or greater than the expenditure disbursed by the central government. Pork-barrel spending and other funding schemes will no longer come from the central government, at least not on a regular basis. Voters are no longer enticed by the promises of Diet members to bring money back from the central government. In fact, these promises are more often met by troubled expressions from voters in the home district.

What is it then that wins a politician the support of voters? The political message now serves to organize a body of support behind a party, and it is what determines which demographic will be mobilized. DPJ head Ozawa's slogan in the Chiba by-election,



DPJ leaders clasp hands at the largest opposition party's Tokyo headquarters. From left: Secretary General Hatoyama Yukio, party head Ozawa Ichiro and deputy head Kan Naoto.

tion, for example, was "From the line of vision of the people." To illustrate, he spoke on the campaign trail standing on a pile of crates and rode his bicycle around the electoral district to speak directly with people. He did not emulate Koizumi's respected boldness, skillful rhetoric, or his method of giving speeches to large groups of onlookers from the top of a campaign truck. Ozawa had a great sense of competition with Koizumi. He pursued a campaign strategy of asking for voter support at face-to-face meetings with each of the organizations in the district. This style is referred to as street-side campaigning. Not long ago, street-side campaigning was the forte of the LDP, while exaggerated rhetoric was what the opposition parties were known for.

Despite the explicit confrontation on political issues, with little chance of opposition parties taking the actual reins of government, these parties were content to stay with grandeur and overstatement, resigning themselves to a permanent position outside of power. Today, however, the situation has changed. The primary support for the sweeping LDP policy vision comes from critical voters and those who are anxious about an

uncertain future, and the party appeals to these groups with its rhetoric and an image of courage and energy. The reason for choosing this strategy over detailed explanations of policy on the campaign trail is that the public finds it difficult to comprehend concrete policies in the face of inevitable cutbacks in government spending, increasingly strong signs that the tax rate will rise, and intensifying international competition. By contrast, opposition parties have foregone the strategic exaggeration that those parties, resigned to being permanently in opposition, conventionally adopted. Taking advantage of the fact that they themselves are not in charge of government policy today, they have taken up a strategy of setting themselves slightly apart from the realm of day-to-day policy, emphasizing instead the human touch: shaking hands and speaking with as many voters as possible throughout their districts, listening to their troubles, providing a sympathetic ear, and creating the impression that they are the ones who really represent the people. **JS**

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